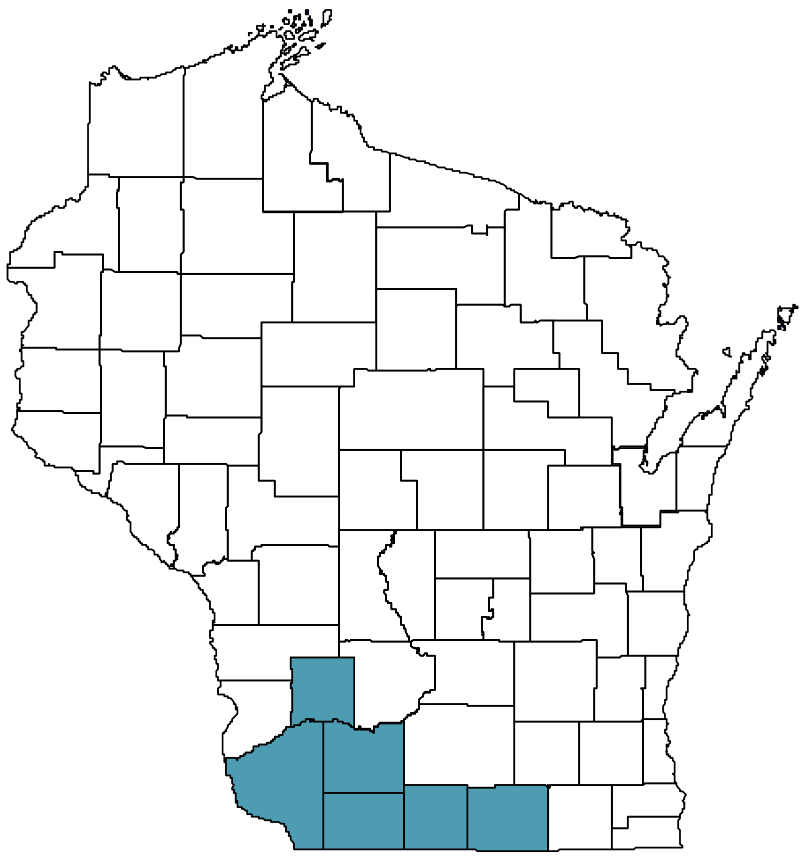
Workforce Development Area Profile

Southwest Wisconsin

Grant, Green, Iowa, Lafayette, Richland, and Rock Counties.

The labor market is a constant ebb and flow of supply and demand. Too little demand for workers creates too much supply and unemployment increases. But too little supply of workers means job vacancies and lack of employment growth.

Every Workforce Development Area in the state should anticipate a tight labor supply condition by the end of the next decade. Planners in each area must understand the unique set of employment characteristics in their region to development a strategy to meet a future where demand will exceed supply.



William Brockmiller
Regional Labor Market Analyst
608.785.9337
William.Brockmiller@dwd.state.wi.us

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Industry employment and projections

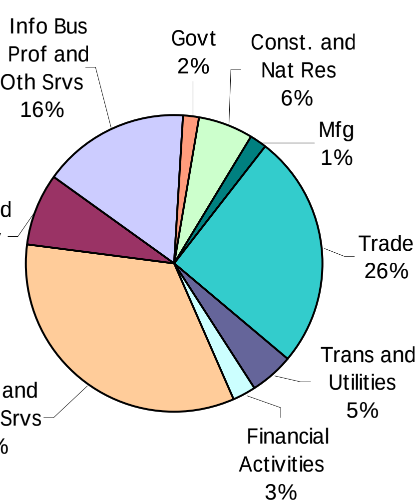
The Southwest Wisconsin Workforce Development Area Profile, depicts the labor force, significant industry analysis, industry and occupational employment, wages, trends and projections of the local labor market. It is imperative in workforce and economic development to understand the economic and demographic directions of local communities.

The term 'labor market' refers to a geographic area where businesses and industries produce goods and provide services, where employers seek workers, and workers seek employment. The labor market described in this publication is named the Southwest Wisconsin Workforce Development Area (WDA # 11), often simply referred to as Southwest Wisconsin. This geographic area includes the six counties of Grant, Green, Iowa, Lafayette, Richland, and Rock.

The total number of nonfarm jobs in Southwest Wisconsin is projected to increase by 14 percent (+16,800 jobs) totaling 134,450 jobs by 2012. Goods-producing sectors in the regional economy will represent 22.8 percent of total employment by 2012 down from 25 percent in 2002. Services-providing industry sectors will increase from 75 percent of employment to more than 77 percent of the total in 2012. The table at the bottom of this page lists the region's industry sector growth forecast.

The education and health services sector, currently the third largest industry in Southwest Wisconsin, will move to second largest by 2012. This sector will post the largest numeric employment growth in employment during the ten year period 2002-2012, adding 5,660 jobs, growing almost 25 percent from 2002 to 2012. From 2002-2012 more than 38 percent (better than one in three) of newly created jobs in Southwest Wisconsin

Distribution of Job Growth by Industry Sectors in Southwest Wisconsin: 2002 - 2012



Industry Projections for Southwest Workforce Development Area, 2002-2012

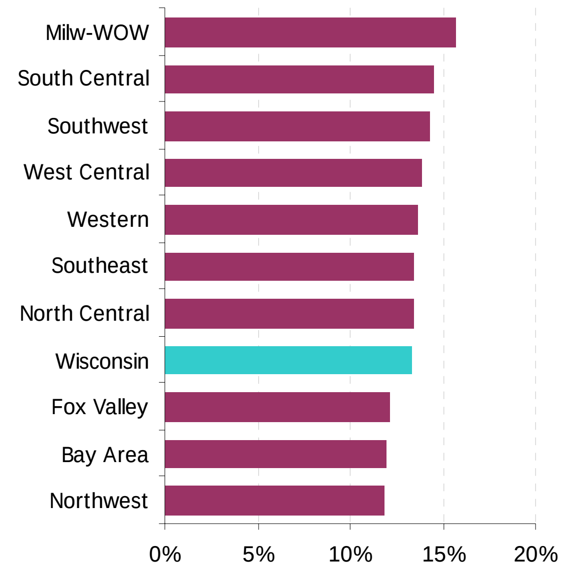
Industry Title	Employment 2002 Estimate	Employment 2012 Projected	Ten-year change Numeric	Ten-year change Percent
Total Non-farm Employment	117,650	134,450	16,800	14.3%
Construction/Mining/Natural Resources	5,070	6,120	1,050	20.7%
Manufacturing	24,400	24,650	250	1.0%
Food Manufacturing	3,320	3,410	90	2.7%
Fabricated Metal Product Mfg	2,070	2,210	140	6.8%
Transportation Equipment Mfg	7,640	7,610	-30	-0.4%
Trade	25,300	29,600	4,300	17.0%
General Merchandise Stores	3,390	3,660	270	8.0%
Transportation and Utilities (Including US Postal)	4,790	5,570	780	16.3%
Financial Activities	3,510	3,950	440	12.5%
Education and Health Services (Incldg state & local govt. ed. & hosp.)	23,230	28,890	5,660	24.4%
Ambulatory Health Care Services	3,480	4,890	1,410	40.5%
Hospitals (Including state & local govt.)	4,960	6,050	1,090	22.0%
Leisure and Hospitality	10,270	11,600	1,330	13.0%
Information/Prof Services/Other Services	13,120	15,820	2,700	20.6%
Government (Excluding USPS, state & local govt. ed. and hosp.)	7,960	8,260	300	3.8%

Source: WI DWD, Office of Economic Advisors, September 2004

will be in the health services industry sector. Currently, hospital employment makes up the majority of this sector's employment and will continue to do so in 2012, however, it is ambulatory health care services that is the fastest growing sector within the Southwest Wisconsin health services industry. The educational services component of the general category, which includes both publicly and privately owned establishments, will grow at a 15 percent growth rate over this time period, a little faster than the overall average growth in the Southwest Wisconsin area.

The category, transportation and utilities, is projected to grow at a healthy 16.3 percent growth rate during the abovementioned time period. Southwest Wisconsin features an interstate highway system slicing through the heart of Rock County, and like an artery in many ways, the highway provides nourishment in the area's economy. This highway system ties the area to Madison and on to Saint Paul to the northwest, to Milwaukee to the east, and Chicago to the near south. Throw in the developing US Highways 18 & 151 and other regional highways and one can see how and why the transportation industry helps to fuel the Southwest Wisconsin economy. The transportation and utilities sector is projected to add about 800 jobs during the ten-year period.

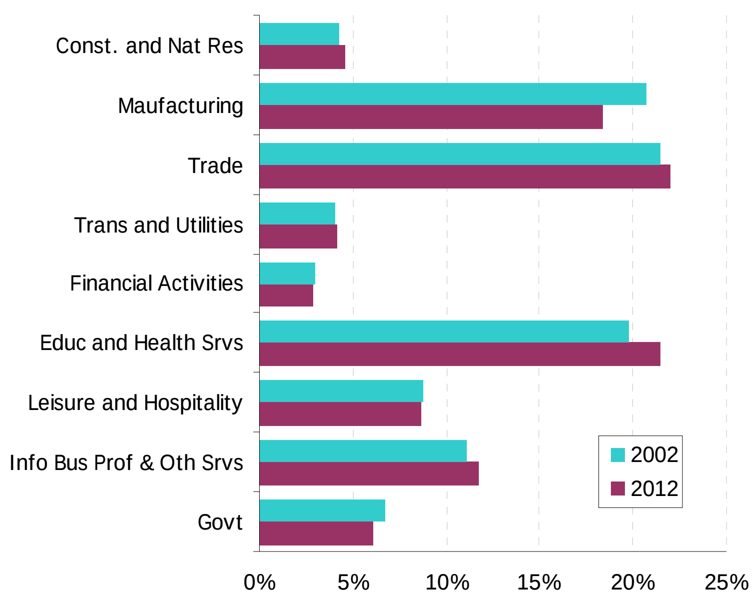
Changes in Employment for Workforce Development Areas in Wisconsin: 2002 - 2012



Source: WI DWD, Office of Economic Advisors, Sept. 2004

Manufacturing, once the cornerstone of economic activity in the Southwest region, is still a significant source of 'family-supporting wage' work for area residents, but the sector lost ground during the recession of the early 1980s and again lost ground during the recent recession of the early 21st Century. In 1992, 26 percent of all employment in Southwest Wisconsin was in the manufacturing industry. That percentage shrank to 21 percentage in 2002 and is projected to shrink to 18 percent by 2012. Ever increasing gains in worker productivity and intensifying competition from overseas manufacturers are primary reasons for the losses in manufacturing over the last five years. Even so, there will be job opportunities in the Southwest Wisconsin manufacturing industries of the future. In general, the average age of a skilled manufacturing worker is higher than the general average age, signifying replacement opportunities for future workers. Numerically, there will be a modest increase of 250 manufacturing jobs in the next ten years. In addition, partly because of logistics, some industries in Southwest Wisconsin will likely compete better against foreign competition than others. These industries include food manufacturing and fabricated metal manufacturing.

Distribution of Jobs by Industry Sectors in Southwest Wisconsin: 2002 - 2012



Source: WI DWD, Office of Economic Advisors, September 2004

Employment and wages

The highest average wage by industry in Southwest Wisconsin (in manufacturing) is earned by about 20 percent of the workers while the lowest annual wage of $9,368 from leisure and hospitality employers is paid to about 10 percent of workers employed in the area. The average annual wage in the Southwest area of $30,447 is 91 percent of the state average annual wage after increasing just one percent in 2003 percent, outpaced by the average statewide increase of 3.1 percent.

2003 Average Annual Wage by Industry Division in Southwest WDA

	Average Annual Wage		Percent of	1-year
	Wisconsin	**Southwest**	**Wisconsin**	**% change**
All Industries	$ 33,423	$30,447	91%	1%
Natural resources	$ 25,723	$26,032	101%	1%
Construction	$ 40,228	$36,088	90%	2%
Manufacturing	$ 42,013	$43,980	105%	7%
Trade, Transportation, Utilities	$ 28,896	$27,209	94%	-6%
Information	$ 39,175	Not avail.	Not avail.	Not avail.
Financial activities	$ 42,946	Not avail.	Not avail.	Not avail.
Professional & Business Services	$ 38,076	$27,860	73%	-2%
Education & Health	$ 35,045	$32,291	92%	1%
Leisure & Hospitality	$ 12,002	$9,368	78%	2%
Other services	$ 19,710	$17,033	86%	2%
Public Admininistration	$ 35,689	$29,445	83%	4%

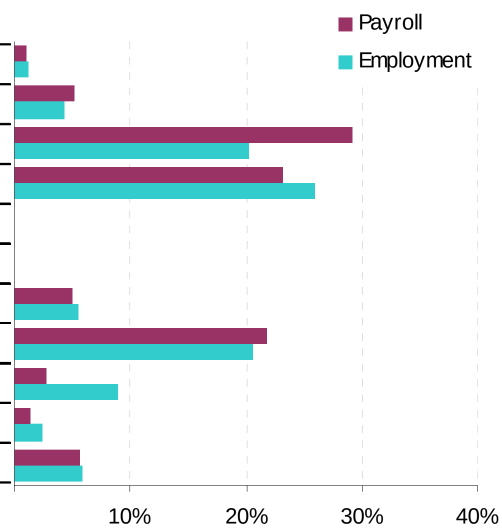
Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

Referencing the data in the bottom table, the greatest increase in jobs by industry occurred with education & health employers with the addition of 356 jobs. Employers in education and health services provide one-in-five jobs in the area and have the third largest payroll in the region. The average annual wage in this industry of $32,291, is 92 percent of the wage for similar work in the state. This average wage is almost three thousand dollars more than the general average wage for workers in Southwest Wisconsin.

Several factors influence average wages in industries including occupation composition (professional and technical jobs generally have higher wages than clerical and service occupations), job tenure (those with more seniority are paid more than new hires), average workweek (full or part-time), and seasonal and temporary employment.

2003 Employment and Wage Distribution by Industry in Southwest WDA

	Employment		
	Annual average	1-year change	**Total Payroll**
Natural Resources	1,344	-12	$ 34,987,448
Construction	5,026	0	$ 181,379,240
Manufacturing	23,555	-837	$ 1,035,954,258
Trade, Transportation, Utilities	30,290	103	$ 824,155,639
Information	Suppressed	Not avail.	Suppressed
Financial Activities	Suppressed	Not avail.	Suppressed
Professional & Business Services	6,381	39	$ 177,776,246
Education & Health	24,055	356	$ 776,757,112
Leisure & Hospitality	10,376	-39	$ 97,201,549
Other services	2,782	-53	$ 47,384,848
Public Administration	6,877	-54	$ 202,492,622
Not assigned	Suppressed	Not Avail.	Suppressed
All Industries	116,569	-497	3,549,156,034



Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

Significant industries

Top Five Industries in Southwest WDA

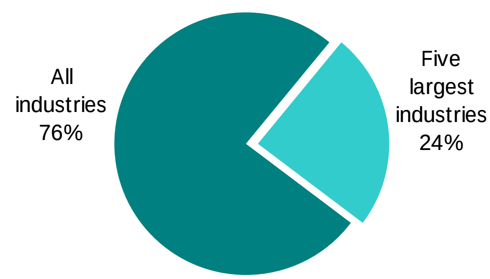
Industry	March-2004 Establishments	March-2004 Employees	Numeric Employment Change 2003 - 2004	Numeric Employment Change 1999 - 2004
Educational Services	67	11,104	-162	414
Food Services and Drinking Places	498	7,786	261	-40
Transportation Equipment Manufacturing	17	6,703	-731	-1,693
Nonstore Retailers	28	6,160	-257	126
Hospitals	9	5,159	39	429

Source: DWD, Bureau of Workforce Information, Quarterly Census of Employment and Wages

There are five industries, included in the table above, in Southwest Wisconsin that are very significant in terms of the jobs they provide for local residents. The employers in these industries provide roughly one in every four jobs in the area.

A brief description of these five industries and the top 20 occupations in those industries projected to have the most job gain by 2012 follows. The following list is more industry-specific than the industry sector lists on pages 1 and 2, where broader, aggregate classifications are used.

Share of jobs in top five industries in Southwest WDA



I. Education Services

This industry includes both publicly and privately-owned establishments providing education, K-12 public school districts, private K-12 schools, technical colleges, and public and private universities. The University of Wisconsin-Platteville, UW-Rock County, Beloit University and the main campuses for the Southwest Wisconsin Technical College and Blackhawk Technical College are scattered throughout the Southwest region. Total employment in educational services is expected to increase in Southwest Wisconsin and reasons for this growth are linked to both demographic and economic conditions. Economically, the current and projected changes in the area's job base have increased with the demand for skills training and retraining at the region's excellent technical college campuses. Demographically increasing enrollments in higher education are sparked by children of baby boomers. These trends will be the fuel for this industry's overall employment growth in Southwest Wisconsin even though flat enrollments in the K-12 system are projected for the future.

Top 20 Occupations in Wisconsin in Education Services Ranked by number of jobs projected in 2012

Elementary School Teachers, Except Special Education
Secondary School Teachers, Except Special and Vocational Education
Teacher Assistants
Middle School Teachers, Except Special and Vocational Education
Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Secretaries, Except Legal, Medical, and Executive
Vocational Education Teachers, Postsecondary
Education Administrators, Elementary and Secondary School
Special Ed. Teachers, Preschool, Kindergarten, and Elementary School
Kindergarten Teachers, Except Special Education
Education Administrators, Postsecondary
Educational, Vocational, and School Counselors
Executive Secretaries and Administrative Assistants
Special Education Teachers, Secondary School
Graduate Teaching Assistants
Special Education Teachers, Middle School
Librarians
Business Teachers, Postsecondary
Bookkeeping, Accounting, and Auditing Clerks
Bus Drivers, School

Source: WI DWD, Office of Economic Advisors, Sept. 2004

II. Food Services and Drinking Places

This industry is one of the five largest industries in every region in Wisconsin and one of the five largest industries on a national level as well. It is a component industry within the larger leisure and hospitality sector, which is projected to show average growth in the area. The preponderance of employment in this industry is in full-service and fast food restaurants.

Although new job creation will not match the pace of the previous ten-year period, the demand for workers generated by replacement needs will remain high due to lower wages, seasonality and partial workweeks of many of the jobs. Many of this industry's jobs are entry-level and pay proportionate to the lower skills that are required. Census 2000 estimated the average workweek in the industry was roughly 32 hours and the average worker in this industry worked 43 weeks out of the year.

The fact that people continue to increase their spending on food outside of the home and modern day time pressures on families will contribute to the growth of this industry.

Top 20 Occupations in Wisconsin in Food Services and Drinking Places Ranked by number of jobs projected in 2012

Waiters and Waitresses
Combined Food Preparation and Serving Workers, Including Fast Food
Bartenders
Cooks, Restaurant
Cooks, Fast Food
First-Line Supervisors/Managers of Food Preparation and Serving Workers
Dishwashers
Cooks, Short Order
Dining Room and Cafeteria Attendants and Bartender Helpers
Food Preparation Workers
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop
Food Service Managers
Chefs and Head Cooks
Cashiers
Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Driver/Sales Workers
General and Operations Managers
Truck Drivers, Light or Delivery Services
Bookkeeping, Accounting, and Auditing Clerks

Source: WI DWD, Office of Economic Advisors, Sept. 2004

III. Transportation Equipment Manufacturing

Industries in the transportation equipment manufacturing subsector produce equipment for transporting people and goods. Establishments in this subsector utilize production processes like - bending, forming, welding, machining, and assembling metal or plastic parts into components and finished products. However, the assembly of components and subassemblies and their further assembly into finished vehicles tends is a more common production process in this subsector than in other manufacturing subsectors.

In Southwest Wisconsin, this subsector is anchored by the large SUV assembly plant located in Janesville. Many of the other businesses operating in this subsector in the area provide parts or capital to the Janesville plant.

Due to the size and scope of the facility, national trends in the automobile industry have a local impact in Southwest Wisconsin. Ever changing consumer tastes, gasoline prices, and the general economic status of consumers will continue to impact the facility. As of this writing, the plant is undergoing efficiency and product line enhancements to adapt to that ever-changing market place.

Top 20 Occupations in Wisconsin in Transportation Equipment Manufacturing Ranked by number of jobs projected in 2012

Team Assemblers
Welders, Cutters, Solderers, and Brazers
First-Line Supervisors/Managers of Production and Operating Workers
Electricians
Machinists
Multiple Machine Tool Setters, Operators, and Tenders, Metal and Plastic
Mechanical Engineers
Industrial Truck and Tractor Operators
Inspectors, Testers, Sorters, Samplers, and Weighers
Cutting/Punching, & Press Mach. Setters, Operators, & Tenders, Mtl-Plastic
Engine and Other Machine Assemblers
Industrial Engineers
Tool and Die Makers
Millwrights
Painters, Transportation Equipment
Cleaning, Washing, and Metal Pickling Equipment Operators and Tenders
Plumbers, Pipefitters, and Steamfitters
Coil Winders, Tapers, and Finishers
Purchasing Agents, Except Wholesale, Retail, and Farm Products
Engineering Managers

Source: WI DWD, Office of Economic Advisors, Sept. 2004

IV. Nonstore Retailers

Industries in the nonstore retailers subsector retail merchandise using methods, such as the broadcasting of infomercials, the broadcasting and publishing of direct-response advertising, the publishing of paper and electronic catalogs, door-to-door solicitation, in-home demonstration, Internet, selling from portable stalls, and distribution through vending machines. Establishments in this subsector include mail-order houses, vending machine operators, home delivery sales, door-to-door sales, party plan sales, and electronic shopping.

Major employers in this subsector in Southwest Wisconsin include Swiss Colony in Green County and Lands' End in Iowa County. Swiss Colony sells and distributes food products and related merchandise. Lands' End sells and distributes clothing, bedding, accessories, and related merchandise.

While recent restructuring has had an effect on area employment levels in this subsector, stability in modern shopping methods (Internet, catalog) should provide stability for the industry in the future.

Top 20 Occupations in Wisconsin in Nonstore Retailers
Ranked by number of jobs projected in 2012

Order Clerks
Shipping, Receiving, and Traffic Clerks
Laborers and Freight, Stock, and Material Movers, Hand
Packers and Packagers, Hand
Customer Service Representatives
Sales Reps, Wholesale & Manufacturing, Except Technl-Scientific Products
Industrial Truck and Tractor Operators
Stock Clerks and Order Fillers
First-Line Supervisors/Managers of Office & Administrative Support Workers
Sewing Machine Operators
Retail Salespersons
Bookkeeping, Accounting, and Auditing Clerks
Maintenance and Repair Workers, General
First-Line Sprvrs/Managers of Helpers, Laborers, & Material Movers, Hand
Bill and Account Collectors
Data Entry Keyers
1st-Line Spvrs/Mngrs of Transpo & Material-Moving Mach. &Vehicle Oper.
Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Office Clerks, General
Graphic Designers

Source: WI DWD, Office of Economic Advisors, Sept. 2004

V. Hospitals

Combining medical technology and the human touch, hospitals administer daily to the needs of many tens of thousands of people-from newborns to the critically ill.

Hospitals provide medical, diagnostic, and treatment services that include physician, nursing, and other health services to inpatients. Hospitals may also provide outpatient services as a secondary activity. Establishments in this category provide inpatient services, using the specialized facilities and equipment as a significant and integral part of the treatment process.

Employment growth in hospitals, with industry cost pressures and increased utilization of clinics and other alternative care sites, will be slower than other components of the rapidly growing Southwest Wisconsin health services industry. Nevertheless, the hospital industry will be the cornerstone of the health care industry in the area for decades to come.

Growth of hospital employment is tied to consumer demand and that demand for health services will continue to increase, especially from an older population that needs more health care as it ages.

Top 20 Occupations in Wisconsin in Hospitals
Ranked by number of jobs projected in 2012

Registered Nurses
Nursing Aides, Orderlies, and Attendants
Licensed Practical and Licensed Vocational Nurses
Maids and Housekeeping Cleaners
Radiologic Technologists and Technicians
Medical and Clinical Laboratory Technologists
Medical and Health Services Managers
Physical Therapists
Janitors and Cleaners, Except Maids and Housekeeping Cleaners
Respiratory Therapists
Interviewers, Except Eligibility and Loan
Medical Secretaries
Surgical Technologists
Receptionists and Information Clerks
Medical Transcriptionists
Medical Assistants
Food Servers, Nonrestaurant
Medical Records and Health Information Technicians
Secretaries, Except Legal, Medical, and Executive
Occupational Therapists

Source: WI DWD, Office of Economic Advisors, Sept. 2004

Occupation projections

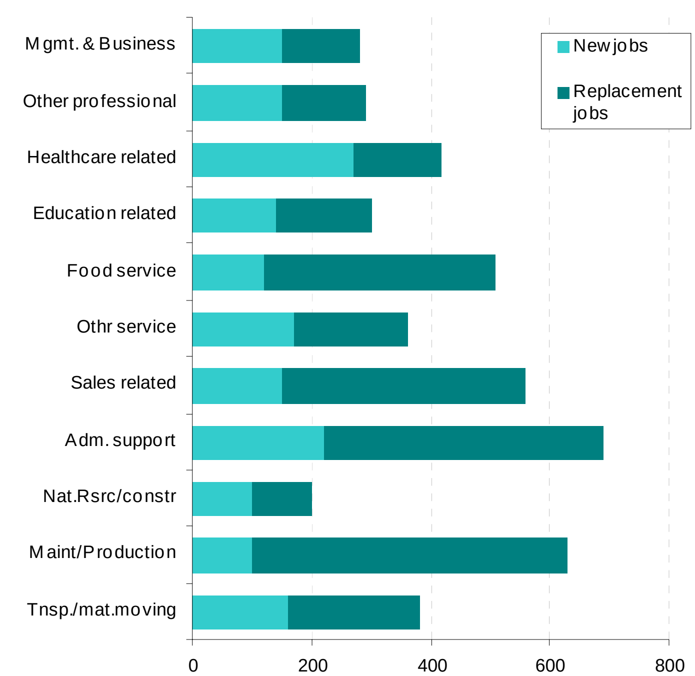
Occupational Group Summary for Southwest Workforce Development Area

Occupational Groups	Estimated Employment		2002 - 2012 Change		Annual average			Average hourly wage	Annual average wage
	2002	2012	Numeric	Percent	New Jobs	Replace-ments	Total Openings		
Total, All Occupations	117,650	134,450	16,800	14.3%	1,680	2,890	4,570	$14.98	$31,161
Management, Business & Financial Operations	7,220	8,620	1,400	19.4%	150	130	280	$26.88	$55,900
Computer, Math, Architecture & Engineering	3,100	3,710	610	19.7%	60	60	120	$24.92	$51,832
Life & Social Sciences, Legal, Art & Entertaining	4,360	5,160	800	18.3%	90	80	170	$19.33	$40,213
Education, Training, & Library	7,230	8,580	1,350	18.7%	140	160	300	$17.20	$35,782
Healthcare Practitioners, Technicians & Support	8,600	11,260	2,660	30.9%	270	150	420	$19.66	$40,888
Food Preparation & Serving	9,750	10,910	1,160	11.9%	120	390	510	$7.80	$16,223
Protective, Maintenance & Personal Care Service	8,420	10,020	1,600	19.0%	170	190	360	$11.05	$22,975
Sales and Related	11,610	13,140	1,530	13.2%	150	410	560	$12.75	$26,517
Office/Administrative Support	20,190	22,360	2,170	10.7%	220	470	690	$12.45	$25,886
Natural Resources, Mining & Construction	4,970	5,950	980	19.7%	100	100	200	$18.87	$39,256
Installation, Maintenance, Repair & Production	22,080	22,980	900	4.1%	100	530	630	$16.48	$34,284
Transportation/Material Moving	10,140	11,740	1,600	15.8%	160	220	380	$13.15	$27,345

Source: Wisconsin Department of Workforce Development, Office of Economic Advisors, September 2004

The next three pages contain a more in-depth discussion of the Southwest Wisconsin's occupational outlook. The above table presents the area's employment by general occupational groups and their projected growth from 2002 to 2012.

Annual Openings by Occupation Groups in Southwest WDA



Source: WI DWD, Office of Economic Advisors, September 2004

Total occupational employment is projected to grow by 16,800 jobs by 2012. This equals the total industry employment growth mentioned earlier in the profile. The annual average number of new jobs, 1,680 new jobs per year, differs with the higher figure of annual average 'total openings' because total openings is a combination of both the total new jobs and replacement worker needs. Replacements are basically a "zero sum" figure in terms of job growth because replacement workers are not filling newly created jobs, but are filling existing, vacated positions. To the job seeker, it is probably immaterial as to how a job opening becomes available, but to analysts, economic developers, and workforce centers this is a significant distinction.

The big picture of the future job market shows that about 63 percent of all job openings will be generated by the need for replacement workers. This pattern is not unique to the Southwest Wisconsin area. Most replacement needs are the result of a natural churn in the labor market of workers changing jobs, moving up career ladders, and worker retirement. Replacement worker needs due to retirement will become much more common in the coming years.

The differences between the projected number of new jobs in occupations and their replacement needs

Twelve Occupations with the Most Annual Openings from 2002-2012 in Southwest Workforce Development Area

Occupational Title	Estimated Employment 2002	Estimated Employment 2012	2002-2012 Change Numeric	2002-2012 Change Percent	Annual average New Jobs	Annual average Replacements	Annual average Total Openings	Typical Education or Training Path	Average Wage	Middle 50 Percent Hourly Wage Range
Cashiers	3,330	3,660	330	9.9%	30	160	190	1 mo. or less trng. on-the-job	$8.00	$6.66 - $9.04
Retail Salespersons	3,790	4,230	440	11.6%	40	140	180	1 mo. or less trng. on-the-job	$10.62	$6.89 - $11.76
Waiters/Waitresses	2,040	2,320	280	13.7%	30	110	140	1 mo. or less trng. on-the-job	$6.89	$5.92 - $7.06
Comb Food Prep/Server/Incl Fast	1,930	2,310	380	19.7%	40	80	120	1 mo. or less trng. on-the-job	$6.98	$6.10 - $7.86
Registered Nurses	2,040	2,670	630	30.9%	60	40	100	Bachelor's or Assoc. degree**	$23.81	$20.70 - $27.04
Truck Drivers/Hvy/Tractor-Trailer	2,280	2,780	500	21.9%	50	40	90	1-12 mo. training on-the-job	$16.64	$13.46 - $19.54
Labrs/Frght/Stock/Matrl Movrs/Hand	2,260	2,420	160	7.1%	20	70	90	1 mo. or less trng. on-the-job	$11.15	$9.17 - $12.97
Sls Reps/Whlsl/Mfg/Ex Tech/Sci	1,500	1,870	370	24.7%	40	40	80	1-12 mo. training on-the-job	$18.58	$12.39 - $21.57
Team Assemblers	2,530	2,440	-90	-3.6%	0	70	70	1-12 mo. training on-the-job	$12.69	$9.76 - $15.89
Janitors/Cleanrs Ex Maids/Hskpng	1,870	2,140	270	14.4%	30	40	70	1 mo. or less trng. on-the-job	$9.98	$7.74 - $11.75
Nursing Aides/Orderlies/Attndnts	1,680	2,090	410	24.4%	40	20	60	1 mo. or less trng. on-the-job	$9.64	$8.29 - $10.85
Office Clerks/General	1,860	2,040	180	9.7%	20	40	60	1 mo. or less trng. on-the-job	$10.60	$8.73 - $12.50

Source: WI DWD, Office of Economic Advisors, September 2004 * may include classroom instruction ** depends on employer

are a result of where the economy is heading, reflecting both structural economic and demographic changes. An occupation that is creating more new jobs than it has replacement needs shows an accelerating 'economic' need or increased demand for these workers. An occupation that shows a significantly higher need for replacements than newly created jobs signifies that the occupation is a) more likely to be entry-level with a shorter–than-average job tenure, or b) is likely to be prominent in a slowly growing industry, yet is likely to have many of its older workers retiring thus creating openings for replacements.

Southwest Wisconsin's largest occupational group (broad category on previous page) is and will continue to be workers in installation, maintenance, repair, and production; 84 percent of its projected need will be for replacement workers. Following with a close second is office and administrative support; and this category will gain on the production occupation category over the next ten years. The table above lists specific occupations with the most projected annual openings in the area. Generally, this list reveals little new information as compared to previous projections, entry-level occupations with shorter tenures and high turnover

Twelve Occupations with the Greatest Percent Change from 2002-2012 in Southwest Workforce Development Area

Occupational Title	Estimated Employment 2002	Estimated Employment 2012	2002-2012 Change Numeric	2002-2012 Change Percent	Annual average New Jobs	Annual average Replacements	Annual average Total Openings	Typical Education or Training Path	Average Wage	Middle 50 Percent Hourly Wage Range
Medcl Records/Health Info Techs	140	230	90	64.3%	10	0	10	Associate degree	$10.77	$8.81 - $12.62
Medical Assts	240	390	150	62.5%	10	10	20	1-12 mos. training on-the-job	$10.78	$9.53 - $11.52
Home Health Aides	450	700	250	55.6%	30	10	40	1 mo. or less trng. on-the-job	$9.08	$7.97 - $10.05
Personal and Home Care Aides	580	860	280	48.3%	30	10	40	1 mo. or less trng. on-the-job	$8.58	$7.56 - $9.49
Dental Hygienists	140	200	60	42.9%	10	0	10	Associate degree	$25.37	$23.69 - $27.20
Social/Human Service Assts	290	410	120	41.4%	10	10	20	1-12 mos. training on-the-job	$13.00	$10.96 - $15.28
Computer Systems Analysts	320	450	130	40.6%	10	0	10	Bachelor's degree	$26.46	$20.34 - $31.63
Network/Computer Systems Admin	150	210	60	40.0%	10	0	10	Bachelor's degree	$22.70	$18.71 - $26.60
Self-Enrichment Ed Teachers	150	210	60	40.0%	10	0	10	Work experience in a related o	$13.32	$10.92 - $15.42
Heating/AC/Refrig Mechs/Instlrs	150	210	60	40.0%	10	0	10	1 yr. or more trng. on-the-job*	$16.12	$12.68 - $18.68
Dental Assts	230	320	90	39.1%	10	10	20	1-12 mos. training on-the-job	$11.09	$9.57 - $12.67
Medical/Health Services Mgrs	160	220	60	37.5%	10	0	10	Bachelor's or higher degree, plu	$30.91	$21.01 - $32.87

Source: WI DWD, Office of Economic Advisors, September 2004 * may include classroom instruction ** depends on employer have the most openings. But the presence of registered nurses on this list is notable, not only because of the attention it receives as an occupation in dire need of more workers, but because of its fifth ranking on *this* list. It is the only occupation on the list that absolutely requires substantive post-secondary education.

The list of the region's fastest growing occupations (bottom of previous page) includes occupations whose percentage change will be relatively large, though the number of jobs in these occupations may not necessarily be numerically large in spite of fast growth. One will notice that the majority of these fastest growing occupations are related to healthcare.

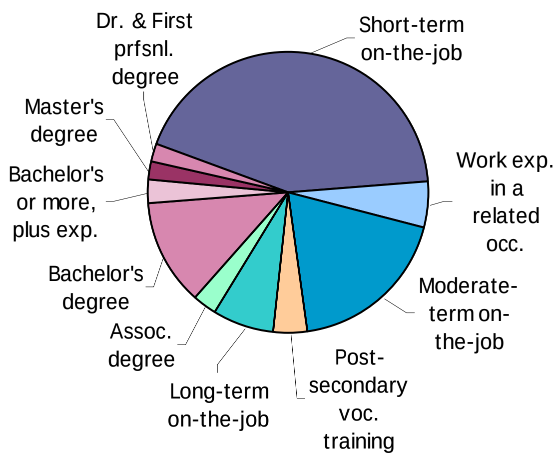
One of the most common misconceptions about the future labor market is that the majority of the nation's (and area's) jobs will require a four-year college degree, minimum. This is a false notion as noted by the table at the bottom of this page. While it is true that the rate of growth in jobs that require a bachelor's degree is higher than the rate of growth for entry level jobs, the fact remains that most occupations and about 62 percent of the region's total jobs will only require short-or moderate-term on the job training.

The area workforce will continue to make use of Southwest's excellent technical collage system, as jobs requiring a associate degree will increase by almost 24 percent and occupations requiring a vocational certification increasing by 16 percent by 2012. In addition, often the technical collage system can assist workers in obtaining adequate substitutions for 'long-term' on-the-job training and/or for 'work experience' in a related occupation.

A positive correlation can be found between higher wages and higher educational attainment. More education does not insure higher wages, but it does create a better chance of working in higher paying occupations. Many of the jobs requiring higher education will be newly created jobs in response to the labor market's evolving needs as opposed to being replacement jobs.

The complete list of occupational projections can be found at:

http://dwd.wisconsin.gov/oea/wda/projections/sw.htm



Typical Education or Training Path* for Jobs in Southwest Workforce Development Area

Education or Training	Number of Occupations	Estimated Employment 2002	Estimated Employment 2012	2002-2012 Change Numeric	2002-2012 Change Percent	Annual average New Jobs	Annual average Replacements	Annual average Total Openings	Distribution of Total Openings
Total	730	117,650	134,450	16,800	14.3%	1,690	2,930	4,620	100.0%
Associate degree	33	3,050	3,780	730	23.9%	70	60	130	2.8%
Bachelor's degree	104	13,600	16,430	2,830	20.8%	280	280	560	12.1%
Master's degree	36	2,140	2,550	410	19.2%	40	50	90	1.9%
First professional degree	16	970	1,230	260	26.8%	30	20	50	1.1%
Doctoral degree	40	890	1,170	280	31.5%	30	20	50	1.1%
Long-term on-the-job training	81	8,720	9,890	1,170	13.4%	120	200	320	6.9%
Moderate-term on-the-job training	163	27,750	30,220	2,470	8.9%	250	600	850	18.4%
Short-term on-the-job training	134	45,240	51,500	6,260	13.8%	630	1,370	2,000	43.3%
Bachelor's degree or more, plus work exp.	30	3,720	4,360	640	17.2%	60	70	130	2.8%
Work exp. in a related occupation	42	6,730	7,690	960	14.3%	100	150	250	5.4%
Postsecondary vocational training	51	4,840	5,630	790	16.3%	80	110	190	4.1%

* This provides a general indication of the education or training typically needed in occupations. There may be other pathways.

Source: WI DWD, Office of Economic Advisors, September 2004

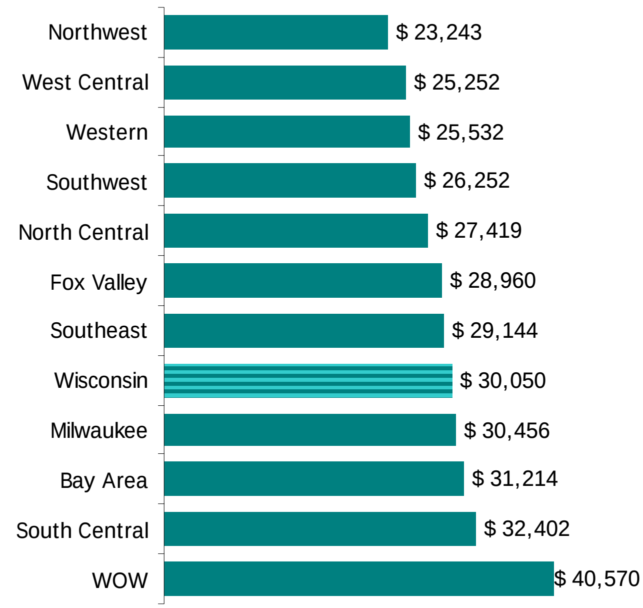
Total personal income

Total personal income is the sum of net earnings, income from dividends, interest and rent, and receipts from transfer payments. The data on personal income, collected by the US Bureau of Economic Analysis, is the most complete set of personal income published.

Two-thirds of total personal income (TPI) in the Southwest region is from net earnings. Net earnings include wage and salary disbursements including employer contributions for pension, insurance and government social insurance; proprietor's income; and adjustment for residents who work in jobs outside the area.

Net earnings increased 21.3 percent in the last five years, failing to keep pace with the state or nation. Net earnings reflect the wages earned in an area, which, in turn, reflect the industry and occupation patterns of the workers in the area. Southwest's failure to keep pace with state and national earnings growth rates over the 1997-2002 time period is at least partly due to the first recession of the 21st Century. That recession was especially hard on areas with higher than average concentrations in manufacturing employment; Southwest Wisconsin is one such area. The highest per capita net

Per Capita Personal Income by WDA



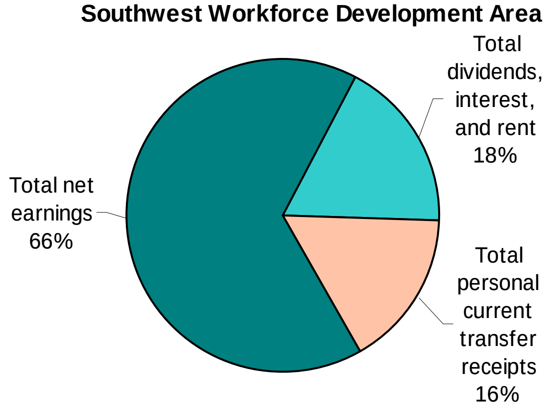
Source: US Dept. of Commerce, Bureau of Economic Analysis

Total Personal Income in Southwest Workforce Development Area

			% Change from 1997 to 2002		
	1997	**2002**	**Southwest**	**Wisconsin**	**United States**
Population	288,933	295,052	2.1%	3.3%	5.6%
Total Personal Income (in thousands)	$6,322,131	$7,745,779	22.5%	26.6%	28.8%
Net Earnings	$4,219,551	$5,119,059	21.3%	27.6%	30.4%
Dividends, Interest, and Rental Income	$1,211,886	$1,372,801	13.3%	14.9%	18.4%
Transfer Receipts	$890,694	$1,253,919	40.8%	39.4%	35.8%
Income Maintenance	$62,861	$76,611	21.9%	29.1%	21.3%
Unemployment insurance benefit payments	$31,439	$70,552	124.4%	147.2%	166.1%
Retirement and other	$796,394	$1,106,756	39.0%	36.9%	34.4%
Per Capita Personal Income	$21,881	$26,252	20.0%	22.6%	22.0%
Per Capita Net Earnings	$14,604	$17,350	18.8%	23.5%	23.4%
Per Capita Dividends, Interest, and Rental Income	$4,194	$4,653	10.9%	11.3%	12.1%
Per Capita Transfer Receipts	$3,083	$4,250	37.9%	35.0%	28.6%
Total Employment (see glossary)	163,638	164,194	0.3%	5.0%	7.3%
Wage and salary jobs	127,887	128,366	0.4%	4.3%	5.9%
Number of non-farm proprietors	25,043	25,334	1.2%	11.2%	16.0%
Average earnings per job	$25,959	$30,999	19.4%	21.0%	21.2%
Average wage & salary disbursements	$24,697	$29,454	19.3%	19.0%	21.1%
Average nonfarm proprietors income	$14,101	$16,764	18.9%	37.0%	24.7%

Source: Special tabulation by WI DWD, Office of Economic Advisors & US Dept. of Commerce, Bureau of Economic Analysis, May 2004 earnings among the WDA's is $40,570 in the WOW WDA where more than 30 percent of the workers are in professional and technical occupations. In the Southwest region roughly 25 percent of the jobs are in these occupations, and even then the mix of professional jobs includes a smaller share of jobs that command higher wages. Furthermore, since there are a lower percentage of professional/technical jobs available in Southwest Wisconsin, there is generally more competition among job seekers for those jobs , creating a buyers market for employers in Southwest Wisconsin hiring professional/technical workers.

Major Components of Total Personal Income in 2002 in Southwest Workforce Development Area



Source: Special tabulation by WI OEA & US BEA files

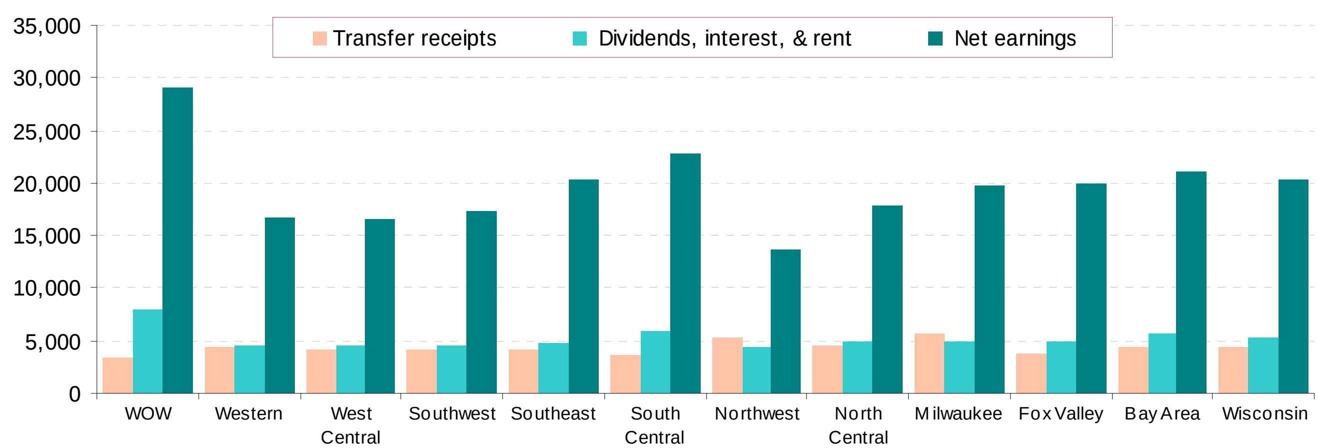
The second greatest source of income in the Southwest WDA is income from dividends, interest and rent receipts; accounting for 18 percent of TPI in the Southwestern area.

In a close third, accounting for 17 of TPI, is personal current transfer receipts. Transfer receipts include benefits from government social insurance funds, primarily Social Security and Medicare, and other programs. Unlike the other two components of total personal income, transfer receipts increased more rapidly in the latter years of the five-year period as the recession deepened and retirements (possibly related to layoffs) increased.

In the last five years total personal income increased 22.5 percent in Southwest Wisconsin, again slower than the national or statewide rate of increase. Due to the slower than average growth in TPI, per capita personal income increased only 20 percent, yet again slower than state or national rates. The explanation for an increase in TPI that exceeded the increase in PCPI is population demographics.

Per capita personal income (PCPI) is the result of total personal income divided by total population. If a greater share of residents are younger or older they contribute less (or not at all) to total income. A region that has a higher share of younger or older population will have a lower PCPI. Conversely, a population with a greater share of residence middle-aged (and in their prime working years) will generally have a higher PCPI, especially since earnings from employment are the largest component of the total personal income puzzle.

Per Capita Income by Major Components of Total Personal Income: 2002

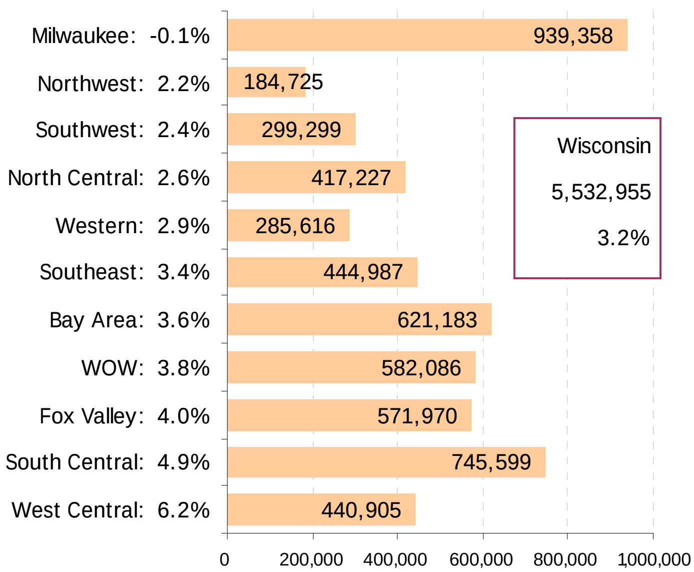


Source: Special tabulation by WI DWD, Office of Economic Advisors & US Dept. of Commerce, Bureau of Economic Analysis

Connecting the Elements

All of the elements in this profile industry, earnings, occupational patterns, income and population are connected. Industry provides jobs, jobs generate earnings and earnings attract workers and, through consumption, generate more jobs. Jobs require workers with occupational skills and those workers are part of the local labor force which is a share of the total population.

2004 WDA Population and Percent Change from 2000



Source: WI Dept. of Administration, Demorgraphic Services Center

The population in Southwest Wisconsin is increasing, but at a slower pace than most WDAs in Wisconsin. The population in the Southwest area in also increasing at a slower rate that the state itself, and the state is growing at a slower rate than the nation.

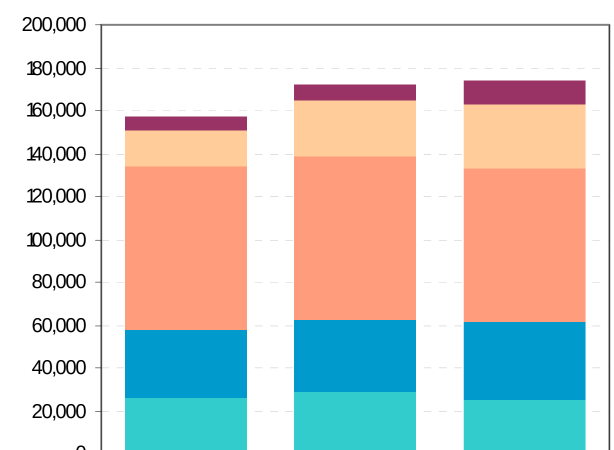
From 2000 to 2004 roughly 6,900 residents were added to the local population for a change of just 2.4 percent. Only two of Wisconsin's 11 WDAs had lower numerical growth in population; likewise only two of 11 had a lower growth rate. Over two-thirds of the increase in WDA population occurred in just two of six Southwest counties: Rock and Green. The Southwest Wisconsin WDA represents about five percent of the state's population.

In general, the population increases either because there are more births than deaths in the area or because new residents move into the area. In Southwest Wisconsin the number of births exceeded the number of deaths by 3,638 residents resulting in 1.2 percentage point increase from natural causes over the time period. The population increased by 3,269 because more individuals moved into the area than moved out of the area, for a 1.1 percent growth in population over the four years due to positive in-migration.

The number of persons turning 18 each year in Southwest Wisconsin is on the decline, and will keep declining every year until 2015, where the number will level off. Meanwhile the number of persons in Southwest Wisconsin turning 65 each year continues to increase throughout the next 20 years. In 2024 the two trends will meet, that is the number of persons turning 65 in 2024 will equal the number of persons turning 18 in that year, from there the two age groups progress roughly equal until 2030.

In some Southwest Wisconsin counties this demographic shift toward an older population is even quicker and more pronounced than the WDA average. Lafayette County's 18 year old and 65 year trends meet

Southwest WDA Labor Force Projections by Age



	2000	2010	2020
65+	6,497	7,829	11,048
55-65	16,751	25,574	30,303
35-54	76,126	76,883	71,051
25-34	31,681	33,255	36,304
16-24	26,094	28,724	25,456
Total	157,149	172,264	174,163
Decade change	**5.3%**	**9.6%**	**1.1%**

Source: DWD, Office of Economic Advisors, August 2004 in 2018 and from there, the 65 year olds surge ahead of the 18 year old number, adding as many as 100 more 65 year olds than 18 year olds per year through 2030. In Richland County reaches that 'cross-over' point in 2016 and from there will experience a very similar pattern to Lafayette County's.

Note on the graph on the bottom of the proceeding page the demographic shift in the workforce of the future in Southwest Wisconsin. The number of workers aged 16-24 will decline during the next 20 years as will those in their prime working years, aged 35-54.

Roughly 18 percent of the population is currently over 60 years old but by 2030 that share expands to nearly 27 percent. In contrast, 35 percent of the current population is under 25 years old and that shrinks to 31 percent by 2030.

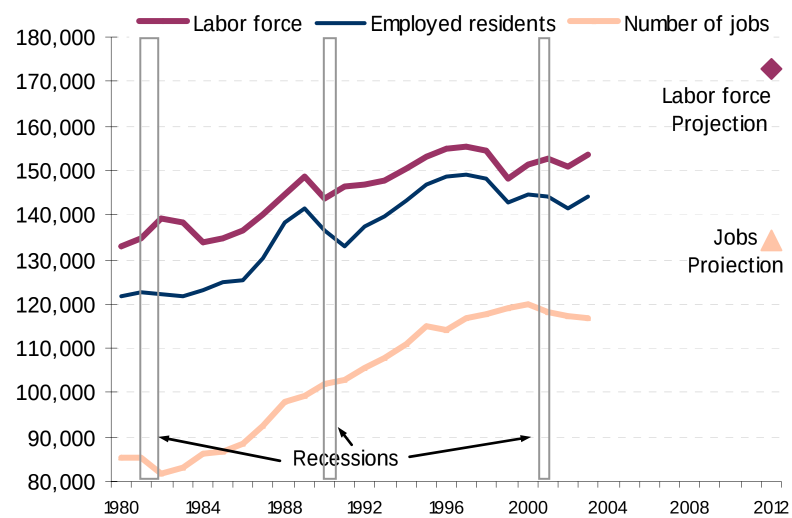
One impact of an aging population will its effect the availability of labor. As residents age their participation in the labor force declines. Labor force participation rates (LFPR) among the population 25 to 50 years of age generally exceed 90 percent. But, after 55 years the LFPR begins to drop and by 60 years it is usually around 50 percent. As the population ages the number of residents may increase but increases in the labor force will slow dramatically. It is uncertain whether older individuals will remain in the labor force longer than they do currently.

In the future, the disparity in age in the area workforce will create labor shortages due to retirements and the lack of replacement workers especially in occupations that rely on younger workers or require specialized skills.

Another issue has been the general focus on occupations that are rapidly growing, like those related to computer systems, or on occupations adding the most new jobs and inadequate attention on the numerous vacancies created when workers leave the occupation, like carpenters. There has also been a lack of attention given to occupations that require a physical presence in order to complete the job. These occupations are more likely to be locally-based and not prone to outsourcing.

And there is also the issue evolving from shifts in consumer behavior as the population ages. There is no better example of this than the healthcare industry and the correlation between an increase in age and the increased demand for healthcare services.

Historic & Projected Labor Force & Jobs in Southwest WDA



Source: WI DWD, Bureau of Workforce Information & Office of Economic Advisors

Awareness of the workforce issues is the first step in moving toward solutions and employers and planners in Southwest Wisconsin are asking questions and working on solutions.

The workforce development profiles are produced by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

Bill Brockmiller
402 N 8th St
La Crosse, WI 54601
Phone: 608-785-9337
email: william.brockmiller@dwd.state.wi.us